



Board of Directors

March 14, 2018

**Administrative and Finance
Committee Meeting Minutes**

June 1, 2018



Louisiana Housing Corporation

Administrative and Finance Committee Meeting Minutes

Wednesday, March 14, 2018
2415 Quail Drive
V. Jean Butler Board Room
Baton Rouge, Louisiana 70808
10:00 A.M.

Committee Members Present

Byron L. Lee
Thomas L. Enright (on behalf of State
Treasurer John M. Schroder)
Donald B. Vallee

Committee Members Absent

Chairman Willie Rack
Gillis R. Windham

Staff Present

E. Keith Cunningham, Jr.
Leslie Strahan
Jessica Guinn
Terrell Dupard
Miriam Bowie
Barry E. Brooks
Jatis Harrington
Na'Tisha Natt

Others Present

See sign-in sheet

Call to Order and Roll Call

The Administrative and Finance Committee ("AFC") Meeting was called to order by Board Chairman Lloyd "Buddy" Spillers at 10:08 A.M. The roll was called by Board Secretary Barry E. Brooks, and a quorum was established.

Newly Appointed Board Member Byron L. Lee was officially Sworn-In by LHC Executive Counsel Jessica Guinn.

Board Members Present

Lloyd S. "Buddy" Spillers
Tammy P. Earles
Derrick Edwards (arrived at 10:50 A.M.)
Larry Ferdinand

Board Members Absent

Michael T. Anderson (resigned 2/15/18)
Jennifer Vidrine

Natasha Joseph-Anderson
Brad Sweazy
Kevin Brady
Nicole Sweazy
Robby Bizot
Tracy Roberts
Melissa Meyers

There was a very special and quite emotional presentation made to the family of LHC Security Guard Robert Clark who passed away recently. Mr. Robert Clark will be dearly missed!

Chairman Spillers advised the Board of the recent resignation of Board Member Michael T. Anderson.

In the absence of AFC Chairman Willie Rack, Board Member Donald B. Vallee suggested that Board Member Thomas Enright serve as Chairman. Board Member Enright declined such. Board Chairman Spillers continued on with the proceedings.

➤ *Approval of the October 11, 2017 AFC Minutes*

On a motion by Board Member Thomas Enright and seconded by Board Member Donald B. Vallee, the Minutes from the October 11, 2017 Administrative and Finance Committee meeting were unanimously approved.

➤ *Discussion regarding LHC Operating Budget versus Actual End of 2nd Quarter.*

LHC Executive Director E. Keith Cunningham, Jr. and Chief Operating Officer Bradley Sweazy discussed the LHC Operating Budget FY 2nd Quarter Ending 12/31/17 (see attached)

Amongst the items discussed were: Home Program & Agency Administrative Fees; HUD Disposition Program Income; the current financials of the three (3) LHC Properties (Village de Jardin, Willowbrook, and Midcity Gardens); Compliance Monitoring; Multifamily LIHTC fees; M2M & Risk Sharing; Energy Programs; Section 8 Contract Administration; Single Family Homebuyer; Disaster housing; Miscellaneous Revenues (i.e., income from the cell phone towers on LHC Quail property).

Board Member Vallee noted his high regards for former LHC Program Administrator Loretta Wallace who recently retired from the LHC.

ED Cunningham discussed the LHC Operating Expenses including: Human Resources, Travel and Training, Operating Services, Building Expenses, Supplies, Auditing, Legal Services, and Professional Services.

Board Member Vallee inquired as to why Professional Services were reduced. ED Cunningham replied that such was due to the several contracts having not been renewed in July 2017.

Board Member Vallee inquired if there could be an analysis done of what current contracts LHC has that the services thereof might be something that could be performed in-house by LHC staff.

Board Member Vallee inquired on any increases in LHC staffing, and if so, in what Departments and/or Programs.

Board Member Enright requested the 3rd Quarterly Budget Report be presented at the April Board Meeting.

- **Resolution approving the LHC Strategic Plan, and to provide for other matters in connection therewith. Staff recommends approval.**

Next item discussed was the LHC Strategic Plan.

Mr. Harold Suire, President and CEO of ESI, Inc., addressed the Board. Mr. Suire was the consultant and facilitator for the recent Board's Governance and Planning Meeting.

Mr. Suire advised that he had reviewed the LHC Strategic Plan and felt it had very good Vision and Mission Statements, as well as brief and succinct Core Values.

On a motion by Board Member Thomas Enright and seconded by Board Member Byron L. Lee, the Resolution adopting the LHC Strategic Plan for 2017-2020; and providing for other matters in connection therewith, was moved to debate. There being no further discussion, opposition, or public comment, a vote was taken, and the motion passed favorably. There was one (1) NO Vote from Board Member Donald B. Vallee, noting his opposition was due to the fact that he felt not enough time had been spent on discussing the Programs, nor monitoring the uses of funds, and that the Strategic Plan was "...meaningless and just a piece of paper."

Other Business

None.

Adjournment

There being no other matters to discuss, Board Member Larry Ferdinand offered a motion for adjournment, seconded by Board Member Byron L. Lee. There being no discussion or opposition, the motion passed unanimously.

The AFC meeting adjourned at 10:53am.

Barry E. Brooks, Board of Directors Secretary

Louisiana Housing Corporation
Operating Budget - FY 17/18
2nd Quarter Ending 12/31/17

<u>Operating Revenue</u>	<u>Approved BUDGET</u>	<u>Actual 12/31/2017</u>
Home Program & Agency Admin Fees	\$ 1,519,821	\$ 491,361
HUD Disposition Program Income	1,857,544	889,590
LA Housing Authority/Supportive Housing	2,443,130	914,891
Compliance Monitoring LIHTC	234,426	19,088
Multi Family LIHTC Fees, M2M & Risk Sharing	966,000	1,296,150
Multi Family Issuer Fees and MF MRB Fees	320,000	87,363
Energy Programs (LIHEAP & WAP)	1,274,157	533,977
Section 8 Contract Administration	2,292,368	1,669,545
Single Family Homebuyer/Turnkey-Program Fees in Lieu of SF Issuer Fee	1,077,900	390,657
Single Family Issuer / Bond Fees	936,397	613,364
Disaster Housing	3,984,838	1,300,976
Miscellaneous Income	14,000	12,250
Total Operating Revenue	\$ 16,920,581	\$ 6,219,220
 <u>Operating Expenses</u>		
Human Resources	\$ 12,608,958	\$ 5,216,782
Travel & Training	317,539	129,320
Operating Services	1,423,844	604,621
Building Expenses	389,664	222,776
Supplies	83,509	26,343
Auditing	150,180	140,180
Legal Services	92,500	37,590
Professional Services	1,541,246	921,831
Total Operating Expenses	\$ 16,607,440	\$ 7,299,448
 Excess Revenue Over Expenses From Operations	 313,141	 919,772
Capital Expenditures	129,600	
Net Excess Revenue Over Expenses	\$ 183,541	\$ 919,772